



Cover Memorandum/Staff Report

File #: 25-114 CRA

Agenda Date: 7/16/2025

Item #: 7H.

TO: CRA Board of Commissioners
FROM: Ivan J. Cabrera, AICP, Redevelopment Manager
THROUGH: Renée A. Jadusingh, Esq., Executive Director
DATE: July 16, 2025

APPROVAL OF THE TENTH AMENDMENT TO THE AGREEMENT BETWEEN THE DELRAY BEACH COMMUNITY REDEVELOPMENT AGENCY AND AHRENS COMPANIES - 95 SW 5TH AVENUE

Recommended Action:

Approve the Tenth Amendment to the Agreement between the Delray Beach Community Redevelopment Agency and Ahrens Companies for the construction of a commercial building located at 95 SW 5th Avenue and authorize the CRA Board Chair to execute all related documents for said purpose.

Background:

At the January 24, 2023, the Delray Beach Community Redevelopment Agency (CRA) Regular Board Meeting, the Board awarded the Invitation to Bid CRA 2022-01-R - 95 SW 5th Avenue Commercial Building Construction Project to Ahrens Enterprises DBA Ahrens Companies (Ahrens), the lowest responsive and responsible bidder, in the amount of \$2,739,968.00. Subsequently, the CRA entered into an Agreement with Ahrens, dated February 28, 2023.

On April 25, 2023, the CRA Board approved the First Amendment to the Agreement. The First Amendment included the following provisions: Payment Procedures, Liquidated Damages, No Damages for Delay, Public Records, and Independent Contractor.

On September 28, 2023, the CRA Board approved the Second Amendment to the Agreement. The Second Amendment increased the Agreement amount by \$1,500 and accounted for increases in costs for materials and labor to perform necessary structural adjustments to the foundation of the commercial building.

On January 23, 2024, the CRA Board approved the Third Amendment to the Agreement. The Third amendment increased the Agreement amount by \$102,300.34 and accounted for materials and labor for: a modified roofing system, structural changes, and additional stucco work for finishes.

On February 27, 2024, the CRA Board approved the Fourth Amendment to the Agreement. The Fourth amendment increased the Agreement amount by \$3,314.36 and accounted for materials and labor to perform necessary structural adjustments for openings at the front of the commercial building and additional sills for the openings.

On May 30, 2024, the CRA Board approved the Fifth Amendment to the Agreement. The Fifth Amendment increased the Agreement amount by \$17,170.62 and accounted for material and labor for: column adjustments, adding a mop sink on the second floor, removal of a tree, storage costs for glass doors, window frames and HVAC system, and extended the Contract Term to November 21, 2024.

On July 23rd, 2024, the CRA Board approved the Sixth Amendment to the Agreement. The Sixth Amendment increased the Agreement amount by \$40,843.42 and accounted for material and labor for: adding drywall header at ceiling, the addition of a metal frame and anchors for louvers at garage entrance, increasing the beam width from 8" to 12" on East and West sides, and additional Builders Risk Insurance as the Contract Term was extended.

On August 29, 2024, the CRA Board approved the Seventh Amendment to the Agreement. The Seventh amendment increased the Agreement amount by \$3,549.77 and accounted for materials and labor to perform necessary special inspections for the hoist beam and interior stairs and borings for Florida Power and Light pole line.

On November 18, 2024, the CRA Board approved the Eighth Amendment to the Agreement. The Eighth amendment accounted for pending work from Florida Power and Light for the replacement of a power line that will feed the Project's electrical power and transformer installation.

On February 25, 2025, the CRA Board approved a Ninth Amendment to the Agreement that included additional change orders, however the amendment was not finalized by both parties. At that meeting the CRA Board approved additional electrical work due to relocating connections of the FPL power and removing a floor sink and installing a janitor's sink per City staff comments, and the extension of the Contract Term from March 6, 2025, to June 2, 2025.

On April 30, 2025, the CRA Board approved a revised Ninth Amendment to the Agreement. The revised Ninth amendment increased the Agreement amount by \$51,825.29 and accounted for landscaping permit fees, replacement of wall packs, elevator storage fees labor escalation cost, builders risk extensions due to updated project scheduled.

Subsequent to that time, Ahrens has submitted the following change order request (included within Exhibit D):

Change Order	Amount	Description
34	\$53,102.33	General Conditions due to a revised project schedule

Change Order 34:

This change order accounts for extended general conditions expenses incurred due to a revised project schedule to account for FPL pole installation. Initially, the project design and schedule accounted for the electrical power connection to the building using the FPL pole located to the north of the project site. However, during construction, FPL advised that the electrical power connection to the building required the installation of a new transformer and utilizing the FPL pole located to the north of the project site was not an option to achieve that connection. Subsequently, FPL worked on a new design that redirected the electrical power connection from the original FPL pole located north of the project site to an FPL pole located south of the project site. This FPL power connection design change resulted in 77 days of additional time that was not originally accounted for in the project schedule.

At this time, CRA staff is requesting the CRA Board accept the change order request in the total amount of \$53,102.33 and approve the Tenth Amendment to the Agreement between the Delray Beach Community Redevelopment Agency and Ahrens Companies and thereby adjusting the total Contract Price to \$3,013,574.13 (See Cost Overview below), for the construction of the commercial building located at 95 SW 5th Avenue.

Attachments: Exhibit A - Tenth Amendment to Agreement; Exhibit B - Location Map; Exhibit C - Agreement and Amendments; Exhibit D - Change Order

CRA Attorney Review:

The CRA Legal Counsel has prepared and reviewed the Tenth Amendment to the Agreement for legal sufficiency and form and determined it to be acceptable.

Cost Overview:

Date		Fees
1/24/2023	Original Agreement	\$ 2,739,968.00
4/25/2023	1st. Amendment	-
	Subtotal w/ 1st. Amendment	2,739,968.00
9/28/2023	2nd. Amendment	1,500.00
	Subtotal w/ 2nd. Amendment	2,741,468.00
1/23/2024	3rd. Amendment	102,300.34
	Subtotal w/ 3rd. Amendment	2,843,768.34
2/27/2024	4th. Amendment	3,314.36
	Subtotal w/ 4th. Amendment	2,847,082.70
5/30/2024	5th. Amendment	17,170.62
	Subtotal w/ 5th. Amendment	2,864,253.32
7/23/2024	6th. Amendment	40,843.42
	Subtotal w/ 6th. Amendment	2,905,096.74
8/29/2024	7th. Amendment	3,549.77
	Subtotal w/ 7th. Amendment	2,908,646.51
11/18/2024	8th. Amendment	-
	Subtotal w/ 8th. Amendment	2,908,646.51
2/25/2025	9th. Amendment	-
	Subtotal w/ 9th. Amendment	2,908,646.51
4/30/2025	9th. Amendment - Revised	51,825.29
	Subtotal w/ 9th. Amendment - Revised	2,960,471.80
7/16/2025	10th. Amendment	53,102.33
	Subtotal w/10th. Amendment	3,013,574.13

Finance Review:

N/A

Funding Source/Financial Impact:

Funds allocated from General Ledger # 6216 - 95 SW 5th Avenue Commercial Building Construction

Overall need within the Community Redevelopment Area from Delray Beach CRA

Redevelopment Plan:

Removal of Slum and Blight

Land Use

Economic Development

Affordable Housing

Downtown Housing

Infrastructure

Recreation and Cultural Facilities